

2 December 1999

Dear Associates,

During the past few months, together with Novartis corporate management, we have reviewed many options for the future of our Crop Protection and Seeds businesses. We now have a clear way forward to announce to you, a way that will lead us into a new era in agribusiness.

In partnership with the agrochemicals business of AstraZeneca, we plan to form a new company, Syngenta, which will be headquartered in Basel, Switzerland. Syngenta, with USD 7.9 billion in pro forma 1998 sales, will be a dedicated agribusiness company, a global leader, and will provide an outstanding opportunity to build a great future. The new company will be the largest agribusiness company with the broadest and most attractive portfolio in Crop Protection and Seeds products. It will have unique global sales and marketing capabilities and a very powerful and balanced science platform in biotechnology and chemistry.

We chose to combine our business with Zeneca Agrochemicals because of its high reputation and excellent research and marketing skills. This merger offers an exceptional opportunity for the long-term development of Crop Protection and Seeds, our customers and stakeholders. Our new company will rank #1 in herbicides and fungicides, #2 in insecticides and seed treatments, and #3 in seeds.

Zeneca Agrochemicals will bring ideal complementarity in markets and products with very powerful brands, such as Amistar[®], Touchdown[®] and Karate[®]. Its R&D technologies will also enhance our Seeds portfolio.

Syngenta will have a strong innovation platform with one of the best teams of scientists in the industry. Our discovery activities will contribute to the development of high-value products, which will enhance the production of safe, healthy and high quality foods, food ingredients, feed, plants and plant derivatives.

Geographically, there will be 4 business regions: Europe, NAFTA, LATAM and Asia Pacific. The European headquarters for crop protection will be in the UK, and will also have responsibility for the current Novartis Crop Protection region 'Business International'. Other site decisions, including the future of Dielsdorf, have yet to be made.

Syngenta will have a unique opportunity to build on both companies' combined strengths leading to increased competitiveness and improved earnings. Market conditions will continue to be very demanding, therefore our focus on productivity will be critical to success. In the first three years after the merger we plan to achieve significant savings of USD 525 million. Joint taskforces, involving a broad number of employees, will carefully review options on how to best achieve this goal. It is anticipated that merger related restructuring will lead to a reduction of about 3000 positions worldwide within three years after company formation. All necessary changes will be implemented in a socially responsible manner.

We are aware that the formation of Syngenta also means a phase of change and uncertainty for many of you. We are convinced, however, that Syngenta will provide a broad range of opportunities for its employees.

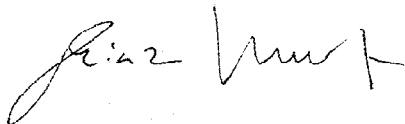
We are eager to launch our new company, but we will need to be patient as we wait for the necessary regulatory clearances. In the interim period, we will keep you fully informed about our planning and integration process.

Your local management will provide you with further information, answer your questions and discuss our plans to form Syngenta.

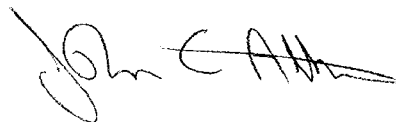
We are confident of our success, which will be founded on a winning combination of skill and experience, and your enthusiasm and dedication.

We thank you very much for your efforts and look forward to an exciting future.

Sincerely,



Heinz Imhof



John Atkin